

Message Text

UNCLASSIFIED

PAGE 01 TEGUCI 02082 01 OF 02 022240Z

ACTION ARA-14

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UNCLAS SECTION 1 OF 2 TEGUCIGALPA 2082

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TAGS: ECOM, EAGR, ECEM, ECSM, HO

SUBJ: EVALUATION OF BLACK SIGATOKA IMPACT ON HONDURAS BANANA
INDUSTRY

REF: (A) STATE 96095, (B) TEGUCIGALPA 2060

SUMMARY: EMINENT US PEST MANAGEMENT EXPERTS, DRS. WHITTEMORE AND SMITH, COMPLETED ON APRIL 27 FIELD OBSERVATIONS AND CONSULTATIONS IN HONDURAS ON THE OUTBREAK OF A FUNGICIDE-TOLERANT BLACK SIGATOKA DISEASE STRAIN WHICH IS SPREADING TO HALF OF THE COUNTRY'S BANANA-PRODUCING AREAS. THEY EVALUATED THE EFFECTIVENESS OF PRESENTLY-APPROVED SPRAYS, THE NEED FOR THE NEW FUNGICIDE CHLOROTHALONIL, AND THE ECONOMIC IMPACT OF THE DISEASE. HONDURAS CITED HEAVY LOSSES OF BOTH INDEPENDENT HONDURAN AND US-OWNED PLANTATIONS AND FOREIGN EXCHANGE LOSSES (\$30 MILLION) IN ITS URGENT REQUESTS IN MARCH FOR TIMELY US APPROVAL OF THE NEW FUNGICIDE. PRESENT SPARYS ONLY RETARD THE FUNGUS' GROWTH, POLLUTE SOIL AND WATER (CUPROUS), STUNT PLANT GROWTH (OILS) AND ARE INEFFECTIVE (BENLATE) IN LARGE AREAS WHERE THE DISEASE HAS DEVELOPED TOLERANCE. SPRAYING COSTS HAVE MULTIPLIED SEVEN-FOLD, BUT PRODUCTION STILL HAS DECLINED 20 PERCENT AND CONTINUES TO FALL. INDICATIONS THAT

UNCLASSIFIED

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PAGE 02 TEGUCI 02082 01 OF 02 022240Z

CHLOROTHALONIL IS NOT ABSORBED BY BANANAS THROUGH THE PLANT SYSTEM AND THAT THICK SKINS PRESENT FRUIT CONTAMINATION WOULD SEEM TO PROTECT US CONSUMERS. EARLY EPA APPROVAL IS SOUGHT SO CHLOROTHALONIL CAN BE USED TO AVERT THE RAPID SPREAD OF BLACK SIGATOKA WHICH OCCURS IN THE JUNE-NOVEMBER RAINY SEASON.

END SUMMARY.

1. AT STATE DEPARTMENT REQUEST, PEST MANAGEMENT EXPERTS, DRS. FRED W. WHITEMORE (AID) AND RAY SMITH (UNIVERSITY OF CALIFORNIA-BERKELEY), ON APRIL 27 CONDUCTED FIRST-HAND OBSERVATIONS TO EVALUATE THE IMPACT OF BLACK SIGATOKA FUNGUS ON BANANA PRODUCTION AND THE EFFECTIVENESS OF FUNGICIDES IN CONTROLLING THE DISEASE ON PLANTATIONS IN HONDURAS. OWING TO TIME LIMITATIONS, FIELD OBSERVATIONS WERE POSSIBLE ONLY ON TELA RAILROAD CO. (UNITED BRANDS) PLANTATIONS IN THE LA LIMA AREA NEAR SAN PEDRO SULA. THESE EVALUATIONS WERE PROPOSED IN CONNECTION WITH REQUESTS MADE BY THE GOH FOR USG ACTION ON AN EMERGENCY BASIS TO PERMIT USE OF THE HIGHLY EFFECTIVE FUNGICIDE CHLOROTHALONIL (DACONIL/BRAVE-6F) TO REVERSE A DESTRUCTIVE OUTBREAK OF BLACK SIGATOKA, WHICH WAS CAUSING SERIOUS ECONOMIC AND SOCIAL IMPACT ON HONDURAS. USE OF THIS CHEMICAL ON FOOD PRODUCTS EXPORTED TO THE US REQUIRES EPA CERTIFICATION AND ESTABLISHMENT OF TOLERANCE LEVELS IN ORDER TO PROTECT THE HEALTH OF US CONSUMERS. THIS CABLE REPORTS COMMENTS AND OBSERVATIONS NOTED BY THE EMBASSY ECONOFF WHO ACCOMPANIED DRS. SMITH AND WHITEMORE.

2. THE VISIT PROGRAM, CONDUCTED BY TELA RR PERSONNEL, BEGAN WITH A SHORT BRIEFING AT THE COMPANY'S TROPICAL RESEARCH LABORATORY, FOLLOWED BY FIELD OBSERVATIONS, A PRESENTATION BY RESEARCH PERSONNEL AND CONSULTATIONS WITH HONDURAN OFFICIALS. THE COMPANY WAS REPRESENTED BY A MANAGEMENT TEAM OF THREE AND A RESEARCH TEAM OF FIVE, HEADED, RESPECTIVELY, BY MR. E.F. ARAGON, AREA MANAGER, AND DR. R.H. STOVER, DIRECTOR
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 TEGUCI 02082 01 OF 02 022240Z

OF THE DUNLAP TROPICAL RESEARCH LABORATORIES. GOH PARTICIPANTS WERE R. ALVAREZ AND M. BUSTAMANTE OF COHBANA (GOVERNMENT BANANA CORPORATION) AND FOUR OFFICIALS OF THE MINISTRY OF NATURAL RESOURCES LED BY VICE MINISTER GUILLERMO SEVILLA. THE VISIT CONCLUDED WITH A CALL ON VICENTE DIAZ, PRESIDENT OF COHBANA.

3. OBSERVATIONS WERE MADE AT TWO FIELD SITES WITHIN A RADIUS OF A FEW HUNDRED YARDS. AT SITE ONE, WHERE MANEB AND CUPROUS SPRAYS WERE EMPLOYED, THERE WAS ABUNDANT BLACK SIGATOKA (BENLATES WERE WITHDRAWN AS INEFFECTIVE DUE TO TOLERANCE BUILD-UP). AT SITE TWO, CHLOROTHALONIL SPRAY WAS BEING APPLIED AT A LOW RATE (ONE PINT PER ACRE) ON A 10 DAY CYCLE FOR TEST PURPOSES, AND SELECTED ITEMS WERE BEING SENT TO DIAMOND SHAMROCK FOR ANALYSES. BLACK SIGATOKA WAS LESS ACTIVE DUE TO THE DRY SEASON AND WOULD, CHARACTERISTICALLY, SPREAD RAPIDLY WITH THE JUNE-NOVEMBER WET SEASON. INFECTED TREES AT SITE ONE HAD ONLY 3 TO 4 FUNCTIONAL LEAVES, WHEREAS HEALTHY PLANTS HAVE AT LEAST 6 TO 8, WHILE FRUIT STEMS ARE FORMED. THE FUNGUS MANIFESTS AFTER TREES FLOWER AND, AS FRUIT FORMS, INFECTED LEAVES MUST BE CUT TO LIMIT FUNGUS SPREAD. INSUFFICIENT FOLIAGE CAUSES FRUIT TO RIPEN PREMATURELY, TO BE UNDERSIZE AND TO INCUR

SUNBURN AND LATEX DRIP DAMAGE. THIS RESULTS IN 20 POUND LOSS PER STEM AND 30 TO 50 PERCENT PREMATURE RIPENING DURING SHIPMENT. HEALTHY TREES DEVELOP 12 - 14 LEAVES IN GROWTH CYCLE AND PRODUCE TWO 40-POUND BOXES PER STEM. BLACK SIGATOKA REDUCES PRODUCT TO HALF A BOX PER STEM. DURING LAST YEAR'S RAINY SEASON 700 INFECTED ACRES WERE CUT. STEMS FROM INFECTED TREES OFTEN MUST BE CUT AND LEFT IN THE FIELD. FREQUENT LEAF AND STEM REMOVAL ALSO RAISES LABOR COSTS. TEN THOUSAND OUT OF 24,000 ACRES NOW ARE TOLERANT TO BENLATE -- UP 3,000 FROM 1977. TREES OF SAME VARIETY ON CHLOROTHALONIL TEST PLOT WERE CLEARLY MORE VIGOROUS, HAD CLEAN FOLIAGE, UP TO 12 LEAVES AND LONG STEMS WITH LARGE FRUIT. TELA RR IS ATTEMPTING TO BREED A VARIETY RESISTANT TO BLACK SIGATOKA, BUT RESULTS ARE NOT EXPECT FOR 6 - 10 YEARS.

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PAGE 01 TEGUCI 02082 02 OF 02 022249Z
ACTION ARA-14

INFO OCT-01 ISO-00 OES-07 EB-08 EPA-04 AID-05 AGRE-00
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UNCLAS SECTION 2 OF 2 TEGUCIGALPA 2082

4. THE FOLLOWING DRAWS LARGELY ON A PRESENTATION MADE BY DR. STOVER AT THE VININGC. DUNLAP TROPICAL RESEARCH LABORATORY, LARGEST OF ITS TYPE IN THE HEMISPHERE. BLACK SIGATOKA WAS FIRST OBSERVED HERE IN 1969, AND THE INFESTATION WAS SUBSTANTIAL IN 1973. IN 1974 THE COMPANY BEGAN WORKING INTENSIVELY TO CONTROL IT. A REGIME OF SPRAYS INCLUDING MANEBS, BENLATES AND COPPER COMPOUNDS HAS BEEN EMPLOYED WITH ONLY LIMITED SUCCESS. BENLATE ONLY RETARDS THE FUNGUS GROWTH, IT DOES NOT STOP IT. PRESENTLY IT IS BEING WITHDRAWN AS TOLERANT STRAINS OF THE DISEASE SPREAD. COPPER COMPOUNDS BUILD UP IN THE SOIL AND CAUSE POLLUTION DUE TO THEIR SLOW BREAK-DOWN. OILS, COMMONLY EMPLOYED WITH SPRAYS FOR IMPROVED COVERAGE AND DURATION, REDUCE GROWTH. COPPER AND OIL ALSO CAUSE SUN-BURN AND TOXICITY PROBLEMS. FREQUENCY OF SPRAYING HAD TO BE INCREASED FROM 13.8 TIMES A YEAR IN 1974 TO 36 TIMES IN 1977, AND APPLICATIONS NOW ARE HEAVIER. SPRAYING COSTS PER ACRE WENT FROM \$19 TO \$137 AND PRODUCTION PER ACRE DROPPED FROM 1200 BOXES TO 950 BOXES DURING THIS

PERIOD. PRODUCTION LOSSES AMOUNTED TO 3 MILLION BOXES OF BANANAS IN 1977, AND PLATANO PRODUCTION FOR EXPORT HAS BEEN CLOSED OUT. WITH OVER 10,000 ACRES INFECTED BY BLACK SIGATOKA STRAINS RESISTANT TO APPROVED FUNGICIDES, THE BATTLE HAS BEEN JUST ABOUT LOST. DR. STOVER EXPRESSED HOPE THAT THE EPA CAN ACT FAVORABLY SOON ENOUGH TO PERMIT USE OF CHLOROTHALONIL SPRAYS DURING THE 1978 RAINY SEASON. DR.

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PAGE 02 TEGUCI 02082 02 OF 02 022249Z

WHITTEMORE ADVISED THAT THE EPA HAS UNDER ACTIVE CONSIDERATION DIAMOND SHAMROCK'S APPLICATION AND THAT IT PUBLISHED ON APRIL 18 AN INVITATION FOR COMMENTS FROM INTERESTED PARTIES.

5. IN LATER DISCUSSION WITH COHBANA OFFICERS OF ECONOMIC IMPACT, IT WAS LEARNED THAT 40 PERCENT OF EXPORTABLE BANANA PRODUCTION ORIGINATES ON HONDURAN-OWNED PLANTATIONS WHICH ARE INDIVIDUALLY OR COOPERATIVE-OWNED. UNITED BRANDS AND STANDARD FRUIT COMPANIES PROVIDE SPRAYING AND OTHER AGRICULTURAL SERVICES TO AND PURCHASE PRODUCT FROM MOST OF THESE INDEPENDENTS. OF 42,000 ACRES IN BANANAS OVER 40 PERCENT ARE FARMED BY THE LATTER. ADDITIONALLY, 70,000 ACRES ARE UTILIZED IN PLANTAIN PRODUCTION. APPROXIMATELY 35,000 WORKERS ARE EMPLOYED ON BOTH CROPS, AND AN ESTIMATED 200,000 ARE DEPENDENT ON THESE CROPS. ALTERNATIVE EMPLOYMENT WOULD BE EXTREMELY DIFFICULT TO PROVIDE. NOR ARE THERE ALTERNATIVE MARKETS FOR BANANAS WHICH, DUE TO BLACK SIGATOKA AND OTHER CAUSES, DO NOT MEET EXPORT QUALITY STANDARDS. ONLY A FRACTION OF REJECTS CAN BE MARKETED LOCALLY, DUE TO COSTLY TRANSPORT AND STORAGE REQUIREMENTS NOT SUPPORTABLE BY LOW INTERNAL PRICES. SOME ARE CONVERTED TO PURE FOR EXPORT AND THE REMAINDER ARE FED TO HOGS OR LEFT TO ROT. 1978 PRODUCTION LOSSES FROM BLACK SIGATOKA ARE PROJECTED AT 8.2 MILLION BOXES VALUED AT \$25 MILLION (FOB). FOREIGN EXCHANGE COSTS OF FUNGICIDES CONTROL ARE SET AT \$4.7 MILLION, FOR A COMBINED LOSS OF ABOUT \$30 MILLION, OF TOTAL EXPORTS OF \$392 MILLION IN 1977, BANANAS ACCOUNTED FOR \$125 MILLION, OR ABOUT 32 PERCENT.

6. COMMENT: THE TELA RR COMPANY AND THE HONDURAN GOVERNMENT PRESENTED CONVINCING EVIDENCE AND ARGUMENTS REGARDING THE PRESENCE OF A SERIOUS INFESTATION OF THIS BANANA PLAGUE, THE CONTROL OF WHICH IS INCREASINGLY BEYOND THE REACH OF AP-

UNCLASSIFIED

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PAGE 03 TEGUCI 02082 02 OF 02 022249Z

PROVED FUNGICIDES. THE DATA AND OBSERVATIONS ALSO SUPPORT CLAIMS OF SERIOUS ECONOMIC IMPACT, WHICH HONDURAS CAN ILL-

AFFORD. WHILE THE TWO MAJOR US BANANA COMPANIES, WITH THEIR SUPERIOR CULTIVATION AND QUALITY CONTROL PRACTICES, MARKETING SYSTEM AND FINANCIAL RESOURCES HAVE BEEN BETTER ABLE TO ABSORB HIGH CONTROL COSTS AND LOSSES FROM THE DISEASE, HONDURAN PRODUCERS ARE QUITE VULNERABLE. UNLESS AN EFFECTIVE FUNGICIDE CAN BE UTILIZED SOON, THE BENLATE-TOLERANT STRAIN COULD SPREAD TO OVER HALF OF THE SULA VALLEY AREA. SHOULD THIS OCCUR, HONDURAS WOULD BE CONFRONTED WITH A DISASTER APPROACHING THE MAGNITUDE OF HURRICANE FIFI WHICH DESTROYED 60 PERCENT OF BANAN PRODUCTION IN 1974. IF CHLOROTHALONIL-TYPE CHEMICALS CAN BE UTILIZED EARLY IN THE RAINY SEASON (WHEN THE FUNGUS SPREADS MOST RAPIDLY), THIS DISASTROUS EPIDEMIC COULD BE AVERTED. THE HEALTH OF US CONSUMERS WOULD SEEM TO BE PROTECTED, BECAUSE LABORATORY ANALYSIS OF BANANAS SPRAYED WITH CHLOROTHALONIL REVEAL NO MEASURABLE CONTAMINATION OF THE FRUIT. APPARENTLY IT IS NOT READILY ABORBED BY THE PLANT, AND THICK BANANA SKINS AND PLASTIC BAGS PROTECT THE FRUIT. MANY OF THE FRUITS AND VEGETABLE FOR WHICH THIS CHEMICAL HAS BEEN CERTIFIED FOR USE IN THE US EITHER HAVE NO PROTECTIVE SKINS OR ONLY THIN SKINS WHICH MAY OR MAY NOT BE REMOVED DURING FOOD PREPARATION.

DRAFTER: ECONOFF: JWSTAHLMAN.
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